THE AMERICAN SECURITY MARKET DURING THE WAR[1]

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Business in the United States is admittedly on a war basis today, and the security market is simply reflecting that abnormal condition. Preceding historic booms in the stock market have usually had as their principal cause some one central idea. An overworked public imagination, obsessed with some widely advertised idea, has usually been responsible for a rise in price levels far beyond the limits of reason. In 1899 the public mind was inflamed by the prospect of large gains from industrial combinations at greatly inflated prices for the constituent companies. In 1901 the possibilities of railway mergers proved to be the moving spirit. In 1906 it was the prospect of greatly increased dividends. In 1909 the alluring bait was "melon cutting" and the distribution of accumulated assets. At present it seems to be belief in the prosecution of the world's greatest war for some time to come, with the prospect of continued fabulous war profits.

War Orders the Basis of Our Prosperity

That the war has immensely increased American business along certain lines, especially in those industries that produce the raw materials or finished products that go to fill the war orders of the Allies, cannot be disputed. Pig iron production in the United States during the last twelve months has increased nearly 58 per cent as compared with the preceding twelve months. For August, 1916, production took place at the rate of 3,204,000 tons as compared with only 1,995,000 tons during August, 1914; while the price of No. 2 Southern at Cincinnati has increased from $13.25 to $17.90 in January and $16.90 in August, 1916. The unfilled tonnage of the United States Steel Corporation averaged 9,310,561 tons for the

[1] In the preparation of this article the author is indebted for many of the statistics presented to the monthly compilations prepared from authentic sources by R. W. Babson, and issued periodically in *Babson's Desk Sheet of Tables on Barometric Figures for Business Conditions.*

first eight months of this year, or nearly twice the corresponding averages for 1915 and 1914. Unfortunately, no reliable figures on copper production are available for this year, but press reports indicate large shipments to the Allies and huge orders for future delivery, and the price of the metal has advanced from a monthly average of 12.31 cents (August, 1914) to 28 cents (September, 1916). Probably no less than half of this country's metal output, it has been estimated, is now going for war purposes. Automobile sales during the first six months of the year, we are told, were smaller than the entire 1915 output by only 15 per cent. The shipbuilding industry is also enjoying an unprecedented prosperity, attributable chiefly to war conditions, and the number of steel merchant vessels under construction in American yards is reported to be five times as great as a year ago.

Foreign trade returns also show the large part played by war orders in our present prosperity. Exports of merchandise during the first seven months of this year amounted to the unprecedented total of \$2,926,280,815, and exceeded the imports by \$1,468,561,241. Again, for the year 1915 exports amounted to \$3,546,000,000, an increase over 1914 of \$1,433,000,000 and an excess over 1915 imports of \$1,768,000,000. Although our foreign trade balance of \$961,000,000 for the first seven months of 1915 was the subject of endless comment, being considerably more than twice that for the corresponding period of any previous year, it is noteworthy that the balance for the first seven months of 1916 is even larger by nearly \$500,000,000. Yet, the impetus towards even greater exports seems to be gaining strength. In fact, the balance of trade of \$262,838,972 during July of this year (the latest month for which full data are available) are more than twice that of July, 1915, when the balance was \$125,223,965.

A further analysis of our foreign trade returns shows two important features, both emphasizing the importance of war conditions. The first relates to the great increase in exports to Great Britain, France and Russia. On the one hand Great Britain alone, between January 1 and the present, has contributed nearly one-half our balance of trade. In strong contrast to this situation stands the fact that, excluding blockaded Germany, Austria and Belgium, no less than seventeen out of twenty-one important countries have sent larger imports to the United States during the first half of

this year than they did during the corresponding period of last year. The second feature to bear in mind is the greatly increased importance which certain articles play in our export trade. A recent tabulation[2] (issued last August) shows that exports of fourteen groups of articles, during the past ten months, amounted to nearly $1,798,-000,000, as contrasted with only $498,000,000 for the ten months preceding the war. The comparison shows that exports of six of these groups—mules and horses, brass, bronze, etc., automobiles and parts, chemicals, zinc, etc., and explosives—comprised a total of nearly $810,000,000 for the past ten months against $57,000,000 for ten months preceding the beginning of hostilities, an increase of nearly fifteen-fold.

THE RESPONSE OF THE STOCK MARKET

The foregoing figures are given to show the important relation between war orders and our present prosperity. Since the essential function of organized exchange markets, aside from furnishing a convenient market place, is to discount future business conditions, it is only natural that with the re-opening of the markets in December, 1914, there should have developed almost immediately a violent upward price movement in stocks, representing munition, iron and steel, metal, shipping, motor, textile, and other industries which shared direcly or indirectly in huge profits derived from exceedingly

[2] Babson's Report of August 29, 1915, shows the following:

Exports	Past ten months	Ten months before war
Mules and Horses	$73,000,000	$3,500,000
Brass, Bronze, etc.	155,000,000	6,000,000
Automobiles and Parts	116,000,000	20,000,000
Railway Cars	21,000,000	10,000,000
Aeroplanes	6,300,000	195,000
Chemicals	93,000,000	22,000,000
Motorcycles	2,700,000	900,000
Cotton Goods	88,000,000	43,000,000
Iron and Steel	472,000,000	212,000,000
Shoes and Leather	120,000,000	47,000,000
Canned Goods, Meat and Dairy Products	231,000,000	124,000,000
Wool and Woolen Goods	47,500,000	3,900,000
Zinc, etc.	36,800,000	328,000
Explosives	336,000,000	5,000,000
Total	$1,798,300,000	$497,823,000

large orders for war materials at extraordinarily high prices. In fact the stock market of the past two years has been largely one of "specialties." As regards shares of corporations of the non-war-serving type, the rise in prices, although influenced somewhat by increased traffic or business growing out of the war, has been moderate and not excessive. But as regards the so-called "war stocks," the stock market witnessed a speculative craze, probably without a parallel in history. Alluring possibilities of fabulous war profits were the central idea. All other factors that usually play a prominent part, such as unsettled labor conditions, rapidly rising commodity prices, a crop failure in the Northwest together with heavy losses in corn and cotton, and the destructive effects of the great War itself, seem to have been forgotten.

Not only did the shares of many "specialties" increase several hundred per cent in price within a year, a phenomenon to be discussed more fully later, but the volume of sales also reached record-breaking proportions. During 1915 shares traded on the New York exchange totaled 173,070,962 as compared with 47,899,668 and 83,470,693 in 1914[3] and 1913. This year's transactions are even greater, total sales for the first eight months amounting to nearly 109,000,000 shares as contrasted with less than 97,000,000 for the corresponding months of 1915. At the time of writing (September 23) the New York market has just had its fifteenth consecutive day, excluding the two-hour Saturday sessions, in which the trading far exceeded a million shares, and approximately averaged a million and a half total. It is also worthy of note, as indicating the direction of speculative activity, that many stocks which formerly played only a relatively minor part in the volume of transactions on the New York exchange have suddenly become very prominent. One may point to a recent instance, for example, where for an entire week the sales of eleven war stocks—American Smelting, Anaconda, Baldwin Locomotive, Central Leather, Crucible Steel, Inspiration Copper, International Mercantile Marine common, International Mercantile Marine preferred, International Nickel, Kennecott Copper, and Maxwell Motors—represented over one-third of the total sales on the New York exchange.

[3] Note should be made of the fact that the stock exchange was closed for nearly four months during 1914.

INFLUENCE OF LOW MONEY RATES

Another phenomenon of the present market is the prevailing low rate for money. It is an axiom of the street that low money rates encourage higher stock prices and, vice versa, that great activity in the stock market at inflated prices causes money stringency and higher interest rates. Today, however, after nearly two years of stock market boom, we have the spectacle of brokerage houses getting all the credit they want at $2\frac{3}{4}$ per cent, while prime commercial paper can be discounted at $3\frac{3}{4}$ per cent. Crop-moving demands, record-breaking business at high prices and several weeks of million-share days on the exchange seem to have not the slightest effect on money rates. There can be no doubt that present abundance of credit is largely responsible for maintaining stocks so long at unusually high prices.

Such an unusual situation is chiefly the result of two principal factors, *viz.*, England's policy of sending gold to this country and the new Federal Reserve Act. England's wishes are manifestly to liquidate at highest prices such American securities as she may hold and wish to sell, and to effect loans in the United States at the lowest possible rates of interest. With easy money rates and firm stock market prices large loans can certainly be distributed to better advantage. England has also entered upon a policy of mobilizing American securities with a view to using them in this country as pledges for loans. Her advantage in carrying out this policy certainly lies in keeping the price of her collateral as high as possible. Moreover, high prices are also advantageous to England and her Allies for the actual sale of American holdings of securities. In fact, such sales since the beginning of the war have been an important factor in keeping down the price of many leading American issues.

Yet in all probability the sales would have been effected at lower and declining prices had it not been for the strong upward movement in other quarters of the market. In other words, securities act more or less in sympathy with one another and rising prices in one quarter of the market often enable free liquidation at steady prices in another. From every point of view, therefore, it is clear that England is vitally interested in the maintenance of relatively low interest rates in New York, as well as a high and firm security market. To accomplish these purposes she has found it

advantageous to pay for a great share of her purchases here with gold. As a means to the end just indicated, over $700,000,000 of gold has come to the United States since the beginning of hostilities. In addition to this factor mention should be made of the Federal Reserve Act as a cause of inflation. Again and again we see it stated that warnings concerning the present market should not be taken too seriously. The new banking law, providing much greater credit facilities than the law it supplanted, will take care of the situation—so go ahead! It would be well to bear in mind that the present surplus reserve of the New York Clearing House banks, so frequently characterized in the newspapers as "very comfortable," would not exist today under the old reserve requirements; instead there would be a large deficit.

Rise in the Price Level of Industrials

Nothing has happened in the security market since the beginning of the war which in any way compares with the speculation in industrial stocks, and particularly those benefiting directly or indirectly from war orders. In discussing market movements since the beginning of hostilities a clear distinction must be made between industrial stocks and the rest of the market. The latter has thus far enjoyed only a modest appreciation; the former present the picture of fabulous war profits and an unprecedented appetite for stocks at enormously increased prices. The situation is all the more noteworthy in view of the fact that it has occurred in the face of the heaviest foreign liquidation to which the American market has ever been subjected. During 1915 the amount of United States Steel common owned in Europe is reported to have decreased 41.6 per cent. Yet, during that year, the price of the stock rose from 48 to 89½, and since that time reached 120⅝. Every reader is familiar with the flight of Bethelem Steel from 33¾ on July 30, 1914, to 600, and of General Motors from 78 to 750. In fact, nearly every week has had its sensation in the industrial list and many issues might be mentioned which increased from 200 to 400 per cent in the short space of a year.

The use of averages, however, will present a fairer picture of the situation. Thus, taking forty-seven leading industrials[4] listed on the New York Exchange, representative of all important types of ac-

[4] See Appendix.

tivity, it appears that on July 30, 1914 (closing prices) one share in each of these corporations could have been purchased at an aggregate cost of $2,786. Using the highest price attained during 1915, these same shares would have brought a total of $6,045, thus showing an appreciation of 117 per cent within about a year. By September 8, 1916, however, the total price had dropped to $5,202, an appreciation of 87 per cent over the price of July 30, 1914.

Selecting next a list of twenty-seven leading industrials,[5] which have figured largely in the newspaper accounts of war orders, the appreciation has been even greater. On July 30, 1914, one share in each of these corporations could have been purchased at a total cost of $1,178. At the highest prices of 1915 these same shares represented an aggregate price of $3,882, an appreciation of 229 per cent. By September 8, 1916, the price had declined to $3,111, an appreciation of 164 per cent as compared with the price of July 30, 1914.

Even greater has been the rise in the price level of leading "ordnance stocks." Unfortunately, averages cannot well be obtained here, partly because few of these stocks were quoted on July 30, 1914, and partly because quotations have been so frequently changed by increasing the stock or by shifting old securities into new. The combined price of nine of these stocks, however (comparing the quotations for July 30, 1914, with those of December 31, 1915), shows an appreciation of 311 per cent. Copper stocks, likewise, owing to large war orders and an increase in the price of the metal at New York within the past year from 17.75 cents to 28.38 cents, have shown large advances. Babson's average price for twenty active copper stocks stood at 54.1 for September of this year as compared with 31.9 for December, 1914.

PROMOTION OF NEW ENTERPRISES

Intense activity on the stock exchanges, accompanied by rapidly rising prices and an abundance of newspaper comment on large profits and the placing of huge orders, almost invariably prepares the public for participation in new ventures and thus furnishes the opportunity the promotor wants to distribute his wares. Probably never before were rumors of immense orders and prophecies of unheard-of profits so persistently paraded before the reading public day after day. It is, therefore, not at all surprising that the

[5] See Appendix.

last four months of 1915 and all of 1916, up to the time of writing, should furnish abundant evidence of the avidity with which the public absorbed new security issues.

New incorporations in the eastern states with an authorized capital of one million dollars or over are reported as aggregating $1,803,000,000 during the first eight months of 1916 as contrasted with only $606,000,000 and $618,000,000 for the corresponding months of 1915 and 1914. For the past twelve months (September, 1915, to August, 1916, inclusive) new incorporations aggregated the extraordinary total of $2,624,000,000, or almost three times the amount reported for the preceding twelve months. New securities issued by existing corporations totaled $1,617,000,000 during the first eight months of 1916 and $2,151,000,000 for the twelve months from September, 1915, to August, 1916, inclusive. These figures are respectively 1.7 and 1.9 times as large as those for the first eight months of 1915 and for the twelve months from September, 1914, to August, 1915. These totals are all the more significant when we reflect that since the opening of hostilities abroad we have loaned over $1,500,000,000 to foreign borrowers, and have reduced our indebtedness abroad by about $1,800,000,000 through the repurchase of American securities held in the belligerent countries.

The flotation of motor, munition, steel, chemical and engineering stocks, particularly along the lines profiting from war orders, constitutes a large part of the totals given. It may be added that an examination of the most active of this type of new stocks issued during the past year shows that most of them reached their highest price level during the period of flotation, and that in the great majority of instances present price levels are much below the quotations prevailing at or shortly after the period of flotation. The aggregate underwriting price of fifteen representative and important stocks (of the type indicated and floated during the past year) was $882. The aggregate "highest price" of these same stocks (attained in ten out of the fifteen instances during the month of flotation) was $1,259, or an increase of 42.5 per cent over the underwriting price. Last August the price was down to $777, a decline of over 38 per cent as compared with the highest price and of nearly 12 per cent as compared with even the underwriting price.

RAILROAD AND PUBLIC SERVICE STOCKS AND BONDS

As already stated, a discussion of our subject involves a clear distinction between the market movements of "war stocks," or of industrial and mining stocks benefiting indirectly from war orders, and the rest of the market. As a general proposition the balance of the market has not followed the war stocks in their erratic upward movement. This is notably so with respect to the large group of railroad stocks. Despite excellent gross and net earnings during the past year, nearly all the standard railroad stocks have persistently failed to keep company with the rapidly rising price level of industrial issues.

Using twenty-two leading railway stocks as a basis,[6] representing every section of the country, the average price per share was $80\frac{3}{4}$ on July 30, 1914; the highest price during 1915 was $95\frac{1}{8}$; the highest price during 1916 was $96\frac{1}{2}$; while on September 8, 1916, the price stood at only $89\frac{3}{4}$. In other words the highest average price for these representative railroad stocks since the beginning of the war shows an appreciation of only 19.5 per cent over the price level of July 30, 1914, while by September 8, 1916, this appreciation was reduced to only 11.14 per cent. Contrast these percentages with 117 per cent and 87 per cent for our list of industrials (including war stocks) and 229 per cent and 164 per cent for our list of strictly war stocks!

Public service corporation stocks have shown a tendency similar to that exhibited by the railroads. Using ten leading and representative issues, listed on the New York and Philadelphia exchanges, the average price per share was $68\frac{3}{4}$ on July 30, 1914; the highest price during 1915 was $81\frac{3}{8}$; the highest price during 1916 was $83\frac{1}{2}$; while on September 8 of this year the price was $80\frac{1}{4}$. The highest price level, as compared with the price on July 30, 1914, represents an appreciation of only slightly over 23 per cent, while at the time of writing this appreciation has been reduced to 16.73 per cent.

In the case of standard bond issues the price level has also

[6] Atch., Topeka & Santa Fe, Baltimore & Ohio, Canadian Pacific, Chesapeake & Ohio, Chi., Milw. & St. Paul, Chicago & Northwestern, Erie, Great Northern, Illinois Central, Kansas City Southern, Lehigh Valley, Louisville & Nashville, Missouri Pacific, New York Central, N. Y. N. H. & Hartford, Norfolk and Western, Northern Pacific, Pennsylvania, Reading, Southern Pacific, Southern Railway, Union Pacific.

changed but slightly. Babson's average price of ten leading and representative bonds gives 89.5 as the average price for July 30, 1914, and 91.6 as the average price for September, 1916, thus showing an appreciation of less than 2.4 per cent. The September price compares with 91.8 for January, 1916, 89.2 for January, 1915, 92.5 for January, 1914, 96.0 for January, 1913, and 101.8 for January, 1909. The volume of bond sales on the New York exchange, it is true, seems large, amounting to over $700,000,000 for the first eight months of 1916 as contrasted with only 524 millions and 425 millions for the corresponding months of 1915 and 1914. But these figures are apt to be misleading. Owing to the closing of the New York Exchange following July 30, 1914, there were practically no bond sales for four months of that year, and during 1916 trading in foreign bonds constituted over one-third of the total transactions.

Apathy of Railroad Stocks

That bonds, with their fixed interest rate, should not appreciate materially is logical enough. We need only consider the present temptation to investors and speculators to divert the flow of capital to stock issues which permit of participation in the large profits that are now being made or are expected in the future. The rapidly increasing cost of living, the rising tendency of long-term money rates, the general feeling that interest rates, as a consequence of the war, will be materially higher for years to come, and the flotation of large foreign war issues in this country on a $5\frac{1}{2}$ and 6 per cent basis with the prospects of further issues, also constitute in their combined effect a powerful deterrent to any upward movement in bond issues yielding only a moderate rate of interest and having a number of years to run before maturity. The resale to us of large blocks of American bonds held abroad, and the temptation to many to invest in foreign securities owing to their low price and the favorable rates of exchange, are additional factors that just now weigh heavily upon the price level of existing American bond issues. But that the common stocks of railroads should not have responded better is not so clear and is today a subject of widespread discussion. As the *Commercial and Financial Chronicle* states in its comprehensive review of railroad gross and net earnings for the first half of 1916:[7]

[7] *Commercial and Financial Chronicle*, September 9, p. 887.

The year 1916 will always remain memorable for the magnificent way in which the great transportation systems of the United States were able to enlarge both their gross and their net income. The year stands unique for the imposing nature of the gain in gross and net alike. In this these transportation agencies, of course, simply reflect the wonderful expansion in trade and industry generally as the result of the demands upon the United States arising out of the gigantic conflict, being waged between the leading countries of Europe. Prior to the present expansion in revenues, which had its inception about September or October last year, the railroad industry had for many years been languishing. Indeed, it was in a bad way, as cost of operations was rising and traffic and revenues failed to expand in a commensurate way. But under the stimulus to industry afforded by the present world war, they have now retrieved the past and at one bound regained all they had previously lost, and, advancing to new heights, are now surpassing by far the best records of the past.

Available records clearly show the correctness of the foregoing statement. Instead of an average net surplus of 217,186 cars, as reported by the American Railway Association for the year 1915 (idle cars reached the large total of 327,084 on April 1, 1915), the net surplus for 1914 to September 1, amounts to only 21,145, while on that date there was an actual net shortage of over 14,000 cars. Babson's statement for ten leading railway systems shows gross earnings for the first seven months of 1916 20 per cent larger than for the corresponding months of 1915. For the last twelve months these earnings exceeded those of the preceding year by over 16 per cent. For the same two periods net earnings show an increase of approximately 35 and 26 per cent. The *Commercial and Financial Chronicle's* tabulation for 249,249 miles of road shows that:

As compared with the six months ending June 30, 1915, the gross earnings of United States railroads for the six months of 1916 increased no less than $328,-012,578, the total rising from $1,403,448,334, to $1,731,460,912. As against this large improvement in gross revenues there was an augmentation in expenses in the substantial sum of $161,861,191, but this still left a gain in net in the satisfactory amount of $166,151,387, or 42.26 per cent, the total of the net for the first six months of 1916 being $559,376,894, against $393,225,507 in the first six months of 1915.

EXPLAINED BY THE UNCERTAINTY OF THE FUTURE

Such an apparently phenomenal showing makes it somewhat difficult to explain the mediocre market advance of our list of representative railway stocks. Manifestly, the significance of present earnings is largely lost when we reflect that the comparison is with very unfavorable returns for 1915 and most of the years immediately

preceding. Heavy foreign liquidation of American railway stocks, no doubt, has also exerted its influence. The stock market is concerned chiefly with the future, and the discounting of an unfavorable railroad situation in the future has probably been more responsible than any other factor for the failure of railway stocks to keep company with industrials in their violent upward market movement. Greatly increased traffic necessarily means increased equipment and enlarged terminals. But rolling stock, other equipment and buildings now cost more than ever before. Moreover, the labor problem has for over a year loomed threateningly over the railroads and is likely soon to be even more serious. Skilled labor has already aggressively pushed its demands and the claims of unskilled labor will probably soon follow. In all probability the market also regards the huge traffic prevailing just now, traceable very largely to the war, as purely temporary. With the return of normal peace conditions it is probably felt that the railroad troubles of recent years will again prevail. It should not be overlooked that the price of what the railroads sell is regulated by law, while the prices of what they must buy—equipment, terminals and labor—have been steadily rising and are not thus regulated.

Average Price Level of All Stocks

The foregoing considerations serve to show the importance of distinguishing between war stocks and the balance of the market. We are too apt, owing to lurid newspaper accounts, to regard the unprecedented rise that has occurred in a limited number of stocks as a characteristic feature of the entire market. A greater mistake could not be made. Considering the stock market as a whole, a substantial rise in prices has occurred, but the average rise is not out of proportion to that which has taken place in some former bull markets. Moreover, if we exclude the war "specialties" in which sensational price increases have occurred, the average price level of the balance of listed stocks will show only a moderate advance.

The Annalist's table,[8] giving the market value of all listed stocks on the New York Exchange on September 16, 1916, and at the outbreak of the war, shows (1) that "no less than $3,044,226,000 has been added to the market value of the securities (shares)[9] which

[8] *The Annalist*, Sept. 18, 1916, p. 357.
[9] Words inserted by the author.

were listed on the New York exchange at the outbreak of the War," and (2) that "including the accessions (of new shares)[9] to the list the total market value today is $4,199,157,000 above the aggregate market value of listed issues at the outbreak of the war." The value of listed shares on July 30, 1914, is given as $9,225,813,000. The rise of $3,000,000,000 in value thus indicates an increase of 33 per cent. But even this average, it should be noted, includes all the listed war industrial and mining stocks.

The foregoing general average is quite in keeping with the actual improvement of American business as a whole during the past two years. Here again we are too apt to regard the unprecedented business boom enjoyed by certain corporations as prevailing in all industries. This again is an exaggerated view to take. Bank clearings of the country, excluding New York,[10] probably constitute the best barometer of general business conditions. These amounted to $62,750,000,000 during the first eight months of 1916 as contrasted with 47 billions and 49 billions for the same period in 1915 and 1914, thus showing an increase over 1914 of approximately 28 per cent. But bank clearings are naturally affected by rising commodity prices. Hence the foregoing increase of 28 per cent must be viewed with this factor in mind, and Bradstreet's Index Number for commodity prices, it should be noted, has increased from 9.8495 on August 15, 1914, to an average of 11.4414 for August, 1916.

Just as war conditions have shaped the course of the stock market during the past two years, so it is now the consensus of opinion that the same situation will govern it in the immediate future. All manifestly depends upon the duration of the war. War stocks can scarcely be appraised without knowing when the war will end, and this is admittedly everyone's own guess. Many stocks are certainly too high if the war should stop within the next few months. But should the war and present war orders and profits continue for a year or two more, it is argued by many that present prices will be justified. Judging from the present volume of sales

[10] Total bank clearings, including New York City, are affected materially by dealings on the New York exchange. For the first eight months of 1916 total bank clearings of the United States amounted to $158,674,000,000 as against 112 billions and 110 billions for the corresponding months of 1915 and 1914. This would seem to show an unusual increase. But the total for 1916 is accounted for very largely by the heavy transactions on the New York exchange.

and the firmness of prices, Wall Street is evidently proceeding on the theory that peace is still remote and that the belligerent nations will continue the gigantic struggle for another year or two at least.

APPENDIX

INDUSTRIALS

	July 30, 1914	High 1915	High since Jan. 1, 1916	Sept. 8, 1916
Allis-Chalmers	7¼	49½	33⅞	23¾
American Agricultural Chem.	50⅛	74½	72¼	79⅝
American Beet Sugar	21¼	72⅞	94½	91¾
American Can	22⅞	68½	65⅜	64⅝
American Car & Foundry	46¼	98	78	63⅞
American Hide & Leather	3½	14¼	12	9⅞
American Linseed	8	31⅛	25⅛	22¾
American Locomotive	23	74¾	88¾	78¼
American Steel Foundry	27½	74½	61¼	56
American Sugar	102½	119⅞	116½	109
American Telephone & Teleg.	116¾	130¼	131⅛	133⅛
American Tobacco	221	252½	209¾	223⅞
American Woolen	12	56	55¼	46½
Baldwin Locomotive	42	154½	118⅝	82½
Bethlehem Steel	33¾	600	550	492
Central Leather	31	61¼	57	59¼
Colorado Fuel & Iron	23⅛	66½	53	49⅞
Crucible Steel	14½	109⅞	99½	83⅞
Distillers' Securities	12½	50½	54½	45½
General Chemical	171	360	350	310
General Electric	140¾	185½	178½	171½
General Motors	78	558	560	580
Goodrich	23	80¼	80	72⅜
Int. Harvester of N. J.	100	114	119¾	117
Int. Mer. Marine	2¼	20½	29¼	49⅝
Lackawanna Steel	30	94¾	86	80½
National Biscuit	125	132	125¼	118⅞
New York Air Brake	60	164¾	153½	138
North American Co.	70¼	81	75	68
Pittsburgh Coal	17⅞	42½	36¾	29
Press Steel Car	38½	78¼	65⅛	55
Pullman Company	154	170¼	171¾	165
Sears Roebuck & Co.	180	209½	188	210⅜
Sloss-Sheffield Steel & Iron	21	66⅞	63¼	51
Studebaker Corp.	28	195	167	124½
Texas Company	123	237	235½	199½
United Fruit Company	136	163	169½	167¾

United States Rubber Co.	52¾	74¾	58½	58½
United States Industrial Alcohol	20	131¾	170½	114
United States Cast Iron Pipe & Foundry	9	31⅞	26½	20½
United States Steel	55½	89½	89	100¾
Virginia-Carolina Chem.	24⅛	52	51	42⅝
Western Union Telegraph	56¼	90	96⅞	96½
Westinghouse Electric Mfrs.	73⅜	74⅞	71⅝	61⅜
Willys-Overland	85	N268	N325	46¼
Woolworth	92½	120½	139½	137⅞
Total	2,786	6,045⅜	5,859	5,202⅜

WAR STOCKS

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Allis-Chalmers	7¼	49½	33⅞	23¾
American Can	22⅞	68½	65⅜	64⅝
American Car & Foundry	46¼	98	78	63⅞
American Steel Foundry	27½	74½	61¼	56
American Woolen Co.	12	56	55¼	46½
American Locomotive	23	74¾	88¾	78¼
American Zinc Lead & Smelt.	12¾	71½	97⅞	38
Baldwin Locomotive	42	154½	118⅝	82½
Bethlehem Steel	33¾	600	550	492
Crucible Steel	14½	109⅞	99½	83⅞
Distillers' Securities	12½	50½	54½	45½
Elec. Stor. Battery	47	60	66½	66½
General Chemical	171	360	350	310
General Electric	140¾	185½	178½	171½
General Motors	78	558	560	580
Int. Mer. Marine	2¼	20½	29¼	49⅝
Lackawanna Steel	30	94¾	86	80½
New York Air Brake	60	164¾	153½	138
National Lead	41¾	70¾	73⅞	64½
Pressed Steel Car	38½	78¼	65⅛	55
Studebaker	28	195	167	124½
Tennessee Copper	29	70	66½	26⅞
United States Steel	55½	89½	89	100¾
Virginia-Carolina Chem. Co.	24⅛	52	51	42⅝
Willys-Overland	85	N268	N325	46¼
Westinghouse Elec. & Mfg. Co.	73⅜	74⅞	71⅝	61⅜
United States Industrial Alcohol	20	131¾	170½	114
Total	1,178	3,882	3,809	3,111

N = par $100 per share.